22 December 54

MEMORANDUM TO: Colonel White

SUBJECT

: Request for Authority to Reject Bids Received in Response to Invitation

for Bids

- 1. The attached memo from Logistics advises that after being awarded a bid on the type of crystal, the low bidder advised that they had overlooked certain requirements and could not furnish the type of crystal specified. They requested their bid be withdrawn.
- 2. Discussion with the second low bidder disclosed they could produce the type of crystal required and during the discussion implied they could furnish it at the same price offered by the low bidder. This price, of course, was lower than their former bid.
- 3. Logistics recommends and General Counsel concurs that instead of awarding the contract to the second low bidder, all the bids be rejected and the procurement be readvertised. It is believed that by so doing, the crystals can be obtained at the same or a lower price than was offered by the bidder awarded the contract.
- 4. Public Law 413 and Public Law 110 indicate that the DD/A must authorize the proposed rejection of bids and the readvertising.
  - 5. Recommend approval of the Logistics memorandum.

